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Attorneys for Chad Drive, LLC

IN THE UNITED STATES BANKRUPTCY COURT

FOR THE DISTRICT OF OREGON

In re) CHAPTER 11
ARLIE & COMPANY,) Case No. 10-60244-aer11
Debtor.) NOTICE OF TRANSFER OF) CLAIM OTHER THAN FOR) SECURITY AND WAIVER OF) NOTICE
) Bankruptcy Rule 3001(e)(1)

Please take notice that the claim of McKillop II Limited Partnership ("Transferor") against the Debtor in the original principal amount of \$1,573,482.00 listed as Class 9.3 of Debtor's Second Amended Plan of Reorganization (February 14, 2011), and all other claims of Transferor have been transferred and assigned other than for security to Chad Drive, LLC, an Oregon limited liability company ("Transferee"). The signature of the Transferor on this document is evidence of the transfer of the claim and all rights thereunder. Transferor hereby agrees to waive notice as described by Bankruptcy Rule 3001(e)(1).

By its signature hereto, Transferor hereby assigns, transfers and conveys to Transferee all of its right, title and interest in the above referenced claim in exchange of 361,720 membership shares of Transferee.

Transferee hereby accepts said assignment and assumes all risks associated with the Debtor's ability to distribute funds.

Transferor hereby authorizes Transferee to take all steps necessary to transfer the above described claim into its name.

The Clerk of the Court is authorized to change the address regarding the claim of the Transferor to that of the Transferee as set forth hereinbelow.

TRANSFEROR

McKILLOP II LIMITED PARTNERSHIP

By: McKillop Management, LLC, General Partner

By:/s/ Herbert D. McKillop

HERBERT D. McKILLOP

Manager

Address: 35530 Sunny Hill Ln.

Pleasant Hill, OR 97455

Phone: 541-913-8508

Email: herb.margo@gmail.com

TRANSFEREE

CHAD DRIVE, LLC

By:/s/ Lee Merwin

LEE MERWIN Manager

Address: 35379 McKenzie View Dr.

Springfield, OR 97478

Phone: 541-726-0401

Email: lkmerwin@msn.com